



## Notice of Second Public Workshop

### PROPOSED AMENDED RULE 1302 – DEFINITIONS and PROPOSED AMENDED RULE 1309.1 – PRIORITY RESERVE



**Wednesday, June 28, 2006**

**1:30 p.m.**

**AQMD Headquarters**

**21865 Copley Drive**

**Diamond Bar, CA 91765**

**Auditorium**

#### **Purpose of the Meeting**

The South Coast Air Quality Management District (AQMD) has scheduled a second public workshop to further solicit information and suggestions from the public on **Proposed Amended Rule 1302 – Definitions (PAR 1302), and Proposed Amended Rule 1309.1 – Priority Reserve (PAR 1309.1)**.

PAR 1302 and PAR 1309.1 will be considered for adoption by the AQMD Governing Board at a public hearing tentatively scheduled for *September 8, 2006*.

#### **Air Quality Objective**

The air quality objective of the proposed amendments is to ensure emission credits are available to mitigate the emission impacts from new biosolids processing facilities, electrical generating facilities (EGFs) and energy projects of regional significance (EPRS).

#### **Background**

##### PAR 1302 – Definitions

Rule 1302 gives the definitions for terms and phrases used in Regulation XIII (including 1309.1). These definitions clarify the intent, scope, focus and limitations of the terms and

phrases that are commonly used in emission calculations.

##### PAR 1309.1 – Priority Reserve

There is currently a projected potential shortage of electric generating capacity in the District. This proposal would remedy the potential negative impacts of future electrical power shortages and other energy needs by allowing the use of SO<sub>x</sub>, PM-10, and CO credits from the District's Priority Reserve account for in-Basin EGFs and EPRS, and VOC ERCs for EGFs in downwind air basins. There is a limited supply of SO<sub>x</sub>, PM-10 and CO Emission Reduction Credit (ERC) offsets available in the open market at this time. The available supply of credits in the District's Priority Reserve account may be used to streamline permitting of EGFs and EPRS and thereby mitigate potential negative impacts of electric power disruption or other energy shortages.

#### **Proposed Amendments**

The proposed amendments to Rule 1302 include definitions of biosolids, biosolids processing facilities, electric generating facilities, energy projects of regional significance and clarify the definition of essential public services to specifically list publicly owned biosolids processing facilities.

The proposed amendments to Rule 1309.1 provide limited access to the Priority Reserve for new electrical generating facilities, including those in downwind air districts, energy projects of regional significance, and biosolids processing facilities, provided specific requirements are met. Except for publicly owned and operated biosolids processing facilities, these requirements include payment of mitigation fees for offset credits obtained from the Priority Reserve at an offset ratio of 1.2 to 1.0. In addition, the mitigation fee (price of credits) will be updated to more closely reflect current conditions, and there are other changes to the rule for clarity and improved enforceability.

### **California Environmental Quality Act**

Pursuant to the California Environmental Quality Act (CEQA) and AQMD Rule 110, the AQMD staff has reviewed PAR 1302 and PAR 1309.1 and determined the proposed amendments have the potential to generate significant adverse air quality impacts. An Initial Study/Notice of Preparation has been prepared and was released on February 16, 2006 for a 30-day public review and comment period ending March 17, 2006. An environmental assessment will be prepared and released for a 45-day public review and comment period at a later date.

### **Supporting Documents**

Copies of PAR 1302, PAR 1309.1 and the Preliminary Draft Staff Report are available at the AQMD website at <http://www.aqmd.gov/proposed.html> and may be obtained from:

Ms. Lourdes Cordova Martinez  
SCAQMD  
Public Information Center  
21865 Copley Drive  
Diamond Bar, CA 91765  
(909) 396-2039

### **Submission of Comments**

Comments, suggestions, documents, studies and reports relevant to PAR 1302 and PAR 1309.1 should be submitted by Wednesday, July 12, 2006 and questions regarding the proposals can be directed to Henry Pourzand at (909) 396-2414, by E-mail to [hpourzand@aqmd.gov](mailto:hpourzand@aqmd.gov) or by mail to:

Henry Pourzand  
SCAQMD  
Planning, Rule Development, and Area Sources  
21865 Copley Drive  
Diamond Bar, CA 91765